

NSC BRIEFING

13 May 1954

THE STRIKE SITUATION IN HONDURAS

I. Strong circumstantial evidence links
Guatemalan Communists to strike:

- Galvez*
- A. Guatemalan Communist agitators
long reported in area.
 - B. Effectiveness of strike shows long
efficient planning.
 - C. Striker ultimatum suggests other
than bona fide labor objectives.
 - D. Strike leaders have adequate
funds.
 - E. Unauthorized Guatemalan plane
landed in area on 1 May.
 - F. Honduras closed two Guatemalan
consulates in area on 5 May.
 - G. Guatemalan ambassador recalled
for consultation.
 - H. Communist literature found in

area.

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~~I. Guatemalans reportedly preparing to cross border.~~

J. Guatemalan labor confederation offered "moral and economic support."

II. Strike well timed. **STARTED 14,000 in UNITED FRUIT - NOW TOTALS 26,000.**

A. Three-way political split re Honduran October presidential elections.

1. Nationalist Party - Candidate: 80-year old unpopular ex-dictator Carias.

a. Carias reported prepared for coup if defeat appears probable, but army opposition likely.

2. Reformist Party - Candidate: General Williams, pro-US, backed by President Galvez'

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3. Liberal Party - Candidate:

Dr. VILLEDA; traditional
opposition party, now be-
lieved Communist-infiltrated.

- B. Carias could use lack of de-
cisive government action as pre-
text for coup.

III. Government can probably maintain order.

- A. Strikers are still orderly.
B. Government promptly reinforced
troops in strike area.

IV. Since workers have some real grievances,
strike susceptible to Communist ex-
ploitation.

- A. Communists might gain entering
wedge in politics in return for
strike settlement.
B. Non-Communist leftists sym-
pathetic to strikers' cause.

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C. United Fruit Company is strong
emotional issue throughout
Central America.

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